



APPROPRIATIONS COMMITTEE
SPECIAL FORUM FOR MUNICIPAL OFFICIALS

March 2, 2010

EDUCATION FUNDING

- Education is the **largest single item in municipal budgets** -- in some towns as much as 80%. -
- The percentage of the state budget allocated to **K-12 public education grants** declined to 13% for FY2010.
- **\$271 million of "level-funded" ECS grants, in each year of the biennium, come from federal ARRA/stimulus funding** and will be gone for FY11-12.

There has never been a single year increase of \$271 million in ECS funding, which would be necessary in FY 11-12 just to keep funding at FY 08-09 levels.

- The State's **share of overall statewide public education costs has declined, from 43.1% in FY 07-08 to 36.8% for FY 09-10.** Under the Governor's proposal it would decline again.
- **Special Education Excess Cost grants were cut this year by \$13 million.** Some of it was made up by federal ARRA IDEA grants, but that money did not necessarily go to the same municipalities that lost under the cut, because the federal program does not track the State's.

Special Education Excess Cost is funded at \$120 million – but applications for reimbursements will be about \$145 million with municipalities eating the \$25 million difference.

- The **Governor proposes to reduce funding** for public and non-public school transportation by a combined \$5.2 million, and magnet schools by \$1.5 million.

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- The “**Minimum Budget Requirement**” -- Section 30 of Public Act 09-6 of the September Special Session -- states:

“For the fiscal years ending June 30, 2010, and June 30, 2011, the budgeted appropriation for education shall be no less than the budgeted appropriation for education for the fiscal year ending June 30, 2009, minus any reductions made pursuant to section 19 of public act 09-1 of the June 19 special session.”

This mandate means that, no matter what efficiencies can be found in board of education budgets, they cannot be reduced. In an era when every other state and local agency are having their budgets closely examined one entity – boards of education – are beyond scrutiny and beyond savings.

The Minimum Budget Requirement must be eliminated for FY 10-11 to allow municipalities to find savings for their property taxpayers. Every community in Connecticut spends more on K-12 public education than they receive from the State.

As you did for this year (PA 09-1, June 19 Special Session, Section 19), **municipalities should again be allowed to amend approved budgets to account for federal ARRA funds** being paid directly to boards of education. Otherwise some boards will receive 114% of what is allocated by the town because they must finalize their own budgets before knowing what state grant distributions will be and how much they will receive.